

## **V. Planning Process**

This section of the Housing Master Plan provides documentation of planning events and other planning reports that were utilized to develop the Goals and Objectives outlined in Section III. The first of these documents is the CRAG Executive Summary, which provides a flashback to the recommendations provided in the CRAG Report. The second part is the Strategic Vision and Recommendations from the Housing Performance Review conducted by Arthur Andersen in 2000. The third part provides input from Strategic Planning Sessions conducted in March 2001, which sought input from City staff, industry representatives, and interested members of the community concerning issues and alternatives relating to housing development. Finally, the fourth part discusses the Housing Summit, held in March 2001, looking at ideas that were explored, concerns that were expressed, and the initial networking infrastructure that was established to bring various parts of the development industry together in what is expected to be regular meetings to share ideas and opportunities.

This section, and the goals and objectives that were derived from the concerns voiced here, provides that backdrop for the recommended strategies and implementation methodology that follows in Sections VI, VII, and VIII.

## V. 1. CRAG 2000: Executive Summary

*“Forty years ago there were thriving businesses on Blanco south of Hildebrand...a large Mom & Pop grocery & meat market & drug store. Why did they go out of business? What are you planning to replace them with?”*

*“Who is focusing on the most vital ingredient for economic development --i.e. PEOPLE!”*

*“On the South Side, the same challenges have faced us for 100 years. ‘Red-lining’ and a lack of financing opportunities are reality.”*

*“Causes of inner-city flight? The perception of poor school quality, the perception of crime. People are ignorant of inner city benefits.”*

*“Environmental action is needed to support revitalization effort. Clean past contamination. Protect the aquifer. Provide open space/green belts.”*

*“Tax land not buildings to decrease speculative holdings!”*

During 1999 and 2000, the City of San Antonio heard from hundreds of citizens, non-profit corporations, businesses, advocacy groups, developers, and other agencies. Through a series of public meetings, focus groups, surveys, and one-on-one discussions, the City of San Antonio has provided an accessible forum for ideas, suggestions, and criticisms relating to inner city revitalization in San Antonio. This input has been distilled into six strategy areas, containing 38 recommendations. These strategies and recommendations are summarized here and presented in full detail later in this report.

The overall goal is to use public sector funding both as a catalyst to improve the functioning of inner-city markets and to equip current residents with the skills and resources that will enable them to take advantage of the new market opportunities. Each of the six strategy areas--**Support the Market, Optimize Investments and Assets, Develop Peoples’ Skills and Resources, Share Information, Improve the Environment, and Remove Barriers**--represents one component of the larger initiative. Existing inner city assets such as commercial and residential buildings, an untapped workforce, and proximity to downtown are the foundation for revitalization; the CRAG 2000 recommendations present a coordinated program of approaches to capitalize on these assets.

And yet, revitalization cannot be accomplished by addressing just the inner city. The deterioration of urban neighborhoods during recent decades has resulted from the complex interaction of many factors, including street and highway construction policies, land development patterns, federal homeownership and mortgage policy, and even racism. These factors are not unique to San Antonio. Cities across the nation have acknowledged and begun to address the negative impacts of unchecked suburban expansion and disinvestments in inner cities. In doing so, they have also begun to craft visions for a more equitable future.

The San Antonio vision is one of balanced, sustainable development resulting in the growth of the urban core by attracting 100,000 residents inside Loop 410 during the next ten years. This vision addresses current regional issues such as increasing traffic congestion, deteriorating air quality, expensive infrastructure extensions to the suburban fringe, and the need to create appropriate residential density in the inner city to support retail and commercial activity. It also addresses the crippling effects of inner city disinvestments on those families who are left behind when suburban expansion is the only outlet for growth. For developers, business people, and citizens, inner city neighborhoods should be communities of choice, so that families new to San Antonio choose to move here, and families who have long contributed to the vitality of the city chose to stay. At the same time, new investment in urban neighborhoods must support residents and strengthen families so that they can take advantage of the new economic, educational, and political opportunities.

CRAG 2000 is only one element in a larger program of new City policies and initiatives that includes revision of the Unified Development Code (UDC), the Housing Services Delivery Review, and the Better Jobs Initiative. Some CRAG 2000 recommendations, such as “encourage transit-oriented development,” cannot be implemented unless the revised UDC provides the zoning and land use flexibility called for in the 1997 City of San Antonio Master Plan. Other recommendations, such as those listed under the **“Develop People’s Skills and Resources”** strategy, are meant to support the programs currently under development through the Better Jobs initiative. Private sector efforts, such as the Annie E. Casey Foundation’s Neighborhood Transformation/Family Development Initiative, will also be essential to achieving the vision of revitalization. CRAG 2000 strategies were developed in coordination with the City staff, community representatives and partner agencies---such as VIA Metropolitan Transit and the San Antonio Independent School District---who are responsible for these additional initiatives. Separately, these initiatives address the components of revitalization; taken together they can provide the blue prints for sustainable changes.

Perhaps more important than any individual action is the continuing process of evaluation, accountability, openness to change, and communication between partners that CRAG has fostered. Without transparency, civic involvement will dwindle; without demonstrable results, enthusiasm for new investments cannot be sustained; without coordination, efforts will be redundant or counterproductive. For the past several years, the City of San Antonio has engaged citizens in a dialogue about services and conditions in the neighborhoods throughout the city. The next phase of CRAG is to establish a reliable and accessible base of information about the city and its neighborhoods, and ensure that citizens have the ability to use this information to advance an urban revitalization agenda. This base of information is often called a set of neighborhood or community indicators. The Community Indicators Project recommended below under the **“Share Information”** strategy can provide the needed transparency, accountability, and coordinated community involvement.

Already, a partnership called the Alamo Area Community Information System (AACIS) composed of more than 25 area agencies, governments, and organizations, has begun to create the data sharing and management capacity required. Organizations such as the University of

Texas at San Antonio, the Alamo Area Council of Governments, the Metropolitan Planning Organization, and United Way of San Antonio and Bexar County are working together, not only to share information but also to improve residents' abilities to access and analyze it. Building on this foundation to create a Community Indicators Project is the essential next step in the CRAG process.

## **CRAG 2000 Recommendations**

***“Forty years ago there were thriving businesses on Blanco south of Hildebrand...a large Mom & Pop grocery & meat market & drug store. Why did they go out of business? What are you planning to replace them with?”***

**Support the Market.** Recognize that the inner city holds tremendous opportunities for development. Focus public dollars in defined geographic areas so that noticeable improvements “prime the pump” for private sector investment. Provide incentives to compensate for the difficulty of assembling land, developing in existing neighborhoods, and complying with City policies, guidelines, and requirements.

- 1) Establish a tiered system of investment and development incentives that will focus on the inner city target area.**
- 2) Support expedited services and additional resources for inner city development projects.**
- 3) Create a “Super Sweep” program for selected neighborhoods within the inner city.**
- 4) Encourage transit-oriented development by supporting future efforts to implement transit centers and facilities including high-capacity transit, such as bus rapid transit or light rail.**

***“Who is focusing on the most vital ingredient for economic development--i.e. PEOPLE!”***

**Develop People’s Skills and Resources.** Provide inner city residents with the resources and skills to become part of the public-private revitalization partnership. Improve residents’ access to affordable health care, education and housing so that citizens can stabilize and improve their lives. Utilize creative financing structures and value-recapture mechanisms to ensure that residents benefit from revitalization.

- 1) Focus on extending health care and health resource education efforts through partnership with inner city school districts, neighborhood associations, civic groups, and churches.**
- 2) Develop and implement a basic financial literacy curriculum, with incentives for saving for low-income participants.**

- 3) Support the expansion of the San Antonio Education Partnership so that scholarship aid is available to all qualified seniors graduating from inner city San Antonio high schools.
- 4) Improve access to health care services.
- 5) Create a development incentive package to encourage affordable housing citywide.
- 6) Implement an Employer Assisted Housing Program.
- 7) Designate community activity centers at sites such as schools or libraries in neighborhoods within the target area.
- 8) Explore the opportunities for development of public charter schools with the target area.

*“On the South Side, the same challenges have faced us for 100 years. ‘Red-lining’ and a lack of financing opportunities are reality.”*

**Optimize Investments and Assets.** Use existing resources as efficiently and effectively as possible. Resources available for use as inner city building blocks include federal funding sources such as HOME and CDBG grants; neighborhoods full of charming vintage home and corner stores; sophisticated institutions that can deliver capital to urban residents; and creative, entrepreneurial citizens who want to improve their own lives and their own lives and their community.

- 1) Reduce or eliminate the practice of providing completely forgivable first-lien loans from CDBG and HOME funds.
- 2) Create a City of San Antonio policy regarding “predatory” and sub-prime lending practices.
- 3) Create a City of San Antonio policy on manufactured housing, including positions on the use of public funds to assist or subsidize the purchase or development of manufactured homes.
- 4) Support historic preservation as a strategy for attracting and retaining investment and building equity in the inner city.
- 5) Support the arts as an economic development strategy for the inner city.
- 6) Improve access to capital in the inner city utilizing existing Community Development Financial Institutions and information generated by recent market studies.
- 7) Implement a housing rehabilitation initiative in the inner city (HARP).
- 8) Pursue a change at the state level that would allocate a greater amount of gasoline tax revenues to fund street maintenance and construction by local governments.
- 9) Fully fund the creation of a Housing Master Plan.

*“Causes of inner-city flight? The perception of poor school quality, the perception of crime. People are ignorant of inner city benefits.”*

**Share Information.** Improve communication both within the City and between the City and its partners (other governments, agencies, citizens, businesses, and neighborhoods). Encourage the exchange of ideas among partners and promote inner city assets. Make current demographic and geographic information available to all partners; emphasize independent analysis and evaluation.

- 1) **Create an Inner City Education Forum.**
- 2) **Extend the philosophy of relationship management to include the client management approach and regular relationship reviews with important clients and partners.**
- 3) **Establish a coordinated marketing program for the inner city, to include the Central City Ambassadors Program and a CRAG website.**
- 4) **Improve training and education opportunities for Historic Design and Review, Planning, and Zoning Commissions and Board of Appeals members.**
- 5) **Improve the City’s ability to gather, manage, share, and analyze data by utilizing Geographic Information Systems.**
- 6) **Support the development and implementation of a Community Indicators Project, with ongoing opportunities for citizen education, program evaluation, and policy development.**

*“Environmental action is needed to support revitalization efforts. Clean past contamination. Protect the aquifer. Provide open space/green belts.”*

**Improve the Environment.** Make the inner city an attractive place to live and work. Enhance the natural and built environment by remediating contaminated, abandoned urban sites; replacing blighted streetscapes with trees, plantings, and green space; and supporting sustainable transportation options such as mass transit, walking, and bicycling. Encourage environmentally sensitive and energy efficient construction and remodeling practices.

- 1) **Work with property owners, developers, bankers, insurers, and agencies to procure additional resources for brownfields redevelopment.**
- 2) **Work with VIA Metropolitan Transit to identify or develop transit stop and street furniture that is attractive and comfortable, and to purchase street furniture for inner city neighborhoods.**
- 3) **Encourage environmentally sustainable construction and remodeling practices by creating a “Green Building” program.**

- 4) Increase the amount of open space and parkland in the inner city, particularly along drainage ways and to buffer undesirable land uses; hike and bike trails should be part of this network.
- 5) Support urban forestry by developing and allocating funds to tree planting and landscaping programs in the target area, and by assisting citizens with tree removal and maintenance.
- 6) Fund and coordinate infrastructure to stimulate walking and bicycling as alternative modes of transportation.

*“Tax land not buildings to decrease speculative holdings!”*

<p><b>Remove Barriers.</b> Continue to simplify public policies and programs so that the private sector can take advantage of development opportunities in the inner city. Consider policy changes to address the barrier of the vacant and abandoned property in the inner city, whether publicly or privately owned.</p>
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- 1) Create a standard definition of affordable housing for the City of San Antonio.
- 2) Streamline the process of providing incentives and assistance for housing and neighborhood development projects by creating a single redevelopment application.
- 3) Reduce or eliminate the portfolio of publicly owned vacant lots and residential properties.
- 4) Consider the adoption of a rehabilitation subcode that would encourage the renovation of older buildings.
- 5) Research tax and other policies that promote the highest and best use of inner city properties.

## **V. 2. Arthur Andersen Housing Performance Review City of San Antonio Housing Delivery System**

### **Strategic Vision and Recommendations**

#### ***Strategic Vision***

Successful strategy must be grounded in a shared vision. Therefore, an important aspect of the strategic planning process was the identification of the session participants' vision for San Antonio's housing service delivery system and to document common themes. This visioning exercise resulted in a shared vision of safe, secure and diverse communities, generally small in scale, with easy access to services and amenities. Specific attributes of the strategic vision for the San Antonio housing system include:

- Revitalization of the City's urban core;
- "Walkable" neighborhoods - mixed use development with a range of housing products;
- Diversity of residents across ethnic, income and cultural demographics;
- Neighborhoods providing residents with a sense of safety and security; and
- Aesthetically pleasing community appearance, including ample green space.

The strategic vision for San Antonio's housing service delivery system also included a strong consensus around the importance of infill development and the availability of public services and amenities in a convenient location.

#### ***Strategic Objectives***

Strategic planning work session participants identified, then prioritized eight Strategic objectives in support of the agreed vision. In priority order, the consensus strategic objectives are:

##### ***Objective 1 - Develop, implement and jointly execute a comprehensive housing plan.***

This objective speaks to the need to have all the participants in the housing service delivery system pulling in the same direction. It points to the need for a clearly articulated vision, specific and measurable performance objectives and clarification of expectations between and among all stakeholders.

##### ***Objective 2 - Entice private investment in the central city.***

This objective explicitly recognizes that the private sector is a valued partner in meeting the community's housing and community development needs. It also acknowledges that public agencies have a legitimate interest in seeking to influence the private sector's location choices through the provision of incentives



for target areas within the community. These investments and incentives are not necessarily housing-specific, but include the full range of services necessary to support viable communities.

**Objective 3 - *Stimulate, promote and market innovative projects, concepts and areas.***

This objective focuses on improving the public awareness and perception of the urban core. Session participants believe it important that public agencies and their private sector partners should actively promote, through advertising, public relations, informational campaigns, etc., the livability and attractiveness of inner-city neighborhoods.

**Objective 4 - *Optimize all available resources.***

This objective addresses improving the operating efficiency and effectiveness of the public agencies and private housing service providers. It encompasses the reduction of redundancy, duplication and overlap of services and delivery mechanisms. This objective is specifically focused on the idea that steps should be taken to reduce administrative costs and streamline processes.

**Objective 5 - *Modernize and make codes, regulations and standards, etc. more flexible.***

This objective's purpose is to facilitate the development of non-traditional, mixed-use and mixed-population housing projects. It includes the idea that existing codes and regulations may make it unnecessarily difficult to design and build projects that address the unique needs of special populations, such as the elderly, working families with child-care needs and people with AIDS and a variety of disabilities.

**Objective 6 - *Redefine how we measure success.***

This objective addresses current performance measures used by both public and private housing service providers that are largely production oriented. They presuppose that the goals of the housing service delivery system are solely related to building operating and/or delivering an inventory of housing units. Alternative, or additional, performance measures would focus attention on the larger outcomes desired, such as improving the strength of family units (divorce rates, illegitimacy), enhancing educational success (dropout rates, truancy, test scores), supporting self-sufficiency (job placements, income levels) and improving security and safety (crime rates, recidivism).

**Objective 7 - *Develop a one-stop clearinghouse of housing information.***

This objective speaks to the improvement of access to housing and community development services by all stakeholders. Developers, builders and lenders could be provided simplified access to incentives and other information to make inner-city development more attractive, while citizens in need of housing assistance, current housing program clients and others could benefit from the elimination of duplicative and sometimes contradictory processes and procedures.

**Objective 8 - *Focus on programs unique to the central city.***

This objective is closely related to Objective 2. While Objective 2 concentrates on the need to attract private sector investment back to the urban core, this objective is intended to address the need for a specific institutional focus on inner city speaks programs and services by the public sector. It speaks to making central city revitalization the top priority of the various public agencies involved in the city and calls for the expansion and/or creation of government programs needed to create the conditions prerequisite to private sector investment, such as blight elimination and code enforcement.

***Summation of Strategic Vision and Objectives***

The strategic vision and eight strategic objectives, developed by the Oversight Committee and other participants, in the strategic planning work session help define the future direction of the San Antonio housing service delivery system and form the framework for the Arthur Andersen team's analysis and recommendations presented in Chapter 4 of this document.

## **Recommendations**

### **Policy Recommendations**

Create and implement a comprehensive housing plan.

Define - and periodically re-define - what "affordable housing" means for the San Antonio area.

Provide clearly defined processes and evaluation criteria for applications to the DCBG and HOME funding allocation.

Target housing funds to those areas of demonstrated need.

Establish guidelines concerning the portion of the annual CDBG budget that should be directed for housing activities.

Monitor publication of best practices to provide ideas for expansion of the current incentive "toolkit" for housing production.

Determine the relative priority of inner-city development versus development in other areas of the city.

Examine the entire incentive toolkit to establish eligibility criteria to weight incentives towards Infill and other projects inside Loop 410.

Set an expectation of innovation and creativity through City Council and other agency governing bodies' mandates.

Implement employee incentive and reward structures designed to foster creativity, reward risk taking and recognize innovation.

Adopt a policy on competitiveness, requiring public program providers to demonstrate the ability to provide services at levels of cost effectiveness and quality commensurate with best practice in industry and government.

"Rationalize" the housing service delivery system to create specific roles and responsibilities for the various public service providers.

Expand the funding that is available for housing service delivery, by using General Fund support to cover a portion of the administrative costs of operating housing programs.

Adopt policies for the housing system which limit relocation of families and the demolition of homes.

Establish a maximum benefit level, taking into account a cost/benefit analysis of specific types of housing programs that address housing need in San Antonio.

Incorporate manufactured housing into the product mix meeting affordable housing needs.

Allow builders to include alternate bids when responding to public solicitations, along with justification for the alternate and documentation of cost savings.

Require a rigorous regime of performance measurement and standard setting.

Set annual production goals for various housing programs in tandem with local housing agencies.

Perform benchmarking on programs to housing best practices to track spending limits per unit; alternatively, these agencies should set internal targets over time, comparing their progress to themselves.

Capitalize on SAHA's leadership with respect to next-generation technology, and should leverage SAHA's position to benefit housing customers throughout greater San Antonio.

Clearly articulate City Council policy on the primacy of inner-city revitalization programs (if this is, indeed, their policy).

## **Structural Recommendations**

Create a multi-agency body to develop and implement the comprehensive housing plan.

Create a consolidated city department of Housing and Neighborhood Services.

Establish a “shared services center” for housing agencies and nonprofits to consolidate common back office functions.

Design and institutionalize a program of organizational culture change enablement for employees in the proposed new City Department of Housing and Neighborhood Services.

Create an independent advisory task force of builders, architects, developers and engineers (within the new City Department of Housing) to review existing standard construction specifications of the affordable housing service providers to identify and recommend cost effective changes.

Institute an Annual Housing Summit.

Create a new unit of program monitors within the Budget and Performance Assessment Department.

Construct an information clearinghouse - a single repository of housing information or “data warehouse”, containing data about the housing services delivery system.

Establish one consolidated physical location to which housing customers can turn to answer the majority of their questions.

Establish an integrated contact center using the current 311 system in the consolidated physical location recommended above.

“Rationalize” or streamline information technology vendors and its process for selecting such products and services.

Coordinate SAHA’s technology with other housing agencies to select and implement an integrated financial system to provide enterprise-wide solutions.

Implement a document management/workflow system as a key component of such an enterprise-wide financial system to provide accountability and expedite cross-entity processes.

Implement an integrated performance solution by using a collective set of program, activity, workload and efficiency measures to perform an “apples to apples” comparison across all housing programs.

Appoint a senior city executive as “revitalization czar” over key departments that relate to city revitalization.

Establish a common cost accounting regime among all agencies within the housing system.

### **Programmatic Recommendations**

Create and fund a public information and marketing program to promote inner city development.

Organize and deliver a regular, multi-agency series of educational sessions targeted at the real estate, building and lending communities.

Implement a pilot program of managed competition for selected services functions.

Use interoffice agreements or memoranda when accords are reached within the City government.

Improve the leverage of private sector funding sources to support projects which may have value on other terms, but which are excessive in costs and of limited benefit to low and moderate-income families.

Require evaluation documentation that clearly reports expenditures and performance, within the new Department of Housing and Neighborhood Services.

Require agencies to produce specific funding information presented on an individual level.

Design and implement a "balanced scorecard" performance measurement and reporting process.

Implement a checks-and-balances system -- consisting of a software-aided project management regime, combined with professional program monitors with regular, disciplined program audits - to track effective uses of grant funds.

### V. 3. EXECUTIVE SUMMARY OF STRATEGIC PLANNING SESSIONS

March 8, 2001

#### OBJECTIVE AND FORMAT OF SESSIONS

On March 8, 2001, J-Quad & Associates, Ltd., the consultant for the City of San Antonio (“City” or “COSA”) that is assisting with developing the San Antonio Housing Master Plan, conducted a series of strategic planning sessions, and several key stakeholder groups were invited to participate. Two subcontractors to J-Quad & Associates, SA Research and McConnell, Jones, Lanier & Murphy LLP, participated in the strategic planning sessions as well. As the term implies, the sessions were designed to be “strategic”, to look at the housing services delivery system within San Antonio, to dispassionately analyze it and to make suggestions for improving it over the long term. The stakeholders invited to participate included:



- **The Housing Oversight Committee** – a group of individuals appointed by the Mayor and Council to oversee current housing-system reviews;
- **Industry** – representatives from the business, financial, developer, builder and counseling communities whose professions revolve around some facet of housing;
- **Community Groups** – representatives from nonprofit organizations who have an interest in housing issues; and
- **City Service Providers** – representatives from the entities that provide housing services, such as the City’s Housing & Community Development Department and Neighborhood Action Department.



There were three strategic planning sessions held on March 8 with a total of 46 attendees. The format was a facilitated discussion in each of the sessions. Each two and one-half hour session began with a Housing Market Analysis, and presentation of the Findings to Date, by SA Research. Because the interests of the stakeholders were slightly different the agendas for each session varied somewhat in order to obtain a broader view of the housing issues. Those agendas, as well as the attendance lists from each session are attached as appendices. McConnell, Jones, Lanier & Murphy, LLP summarized the sessions.

## TOPICS CONSIDERED

Participants were asked to comment upon a variety of topics. They included:

### For the City Service Providers Group

- ◆ Defining “Affordability”
- ◆ Geographic Targeting
- ◆ CD Allocation Policy, Maximum Benefit
- ◆ Annual Production Goals and Reporting

### For the Industry Group

- ◆ Housing Products and Finance Tools
- ◆ Leveraging
- ◆ Client Targeting
- ◆ Affordability, Expanding Products for Various Income Groups.
- ◆ Information Clearinghouse

### For the Community Group

- ◆ Alternative Products in Affordable Housing
- ◆ Information Clearinghouse

## MAJOR THEMES OF THE SESSIONS

The comments of participants were fluid and varied. However, a few key themes emerged:

- All agreed that there is a housing problem, and that particularly there is a shortage of affordable housing
- Housing issues are difficult to address because they also depend upon cultural values and issues of human dignity
- There was a *willingness* to set maximum benefit levels of housing dollars per individual, and there was a willingness to allocate Community Development Block Grant (CD) funds along some predetermined policy (over and above what



the Federal Government requires)- such as 35 to 40 % of CD funds being set aside for housing needs.

- Participants understood that City policymakers must make similar choices in order for allocation policies to be effective.
- Improved housing needs to be placed in older neighborhoods so people, particularly seniors, can enjoy better living conditions *without* leaving familiar surroundings, institutions or friends.
- “Sweat Equity” – or the provision of in-kind services by potential housing occupants – was recognized as desirable and helpful to improving their lives at comparatively less cost.
- The faith community was deemed to have been successful at linking sweat-equity programs and self-help to self sufficiency.

## CONCLUSION

The strategic planning sessions provided for a recitation of the issues facing the San Antonio housing community, but they did not create a definitive “blueprint” for what needs to be done. Instead, the comments suggested the *elements* that need to be in place in order for San Antonio to have a sustainable housing services delivery system in the future. Determining the appropriate mix of those elements may still be a responsibility of the policymakers of the City, as they take input from citizens, residents and interested stakeholders.

The following pages of the Appendix present a matrix of the housing ideas and suggestions as they were offered in each of the strategic planning sessions.



## STRATEGIC PLANNING SESSION EXECUTIVE SUMMARY APPENDIX

*The comments and ideas that follow have been edited only for grammar and legibility. They capture the essence of the series of conversations that took place in the strategic planning sessions of March 8, 2001.*

Strategic Planning Comments & Themes Matrix	
For the City Service Providers Group	
<ul style="list-style-type: none"> <li>◆ Defining “Affordability”</li> </ul>	<ul style="list-style-type: none"> <li>• Does affordable housing include rent? Yes</li> <li>• Before giving input on goals, we need to define problems. For example, deferred maintenance could be the problem. Resident may prefer to stay.</li> <li>• There is a trend seen of older people living in dilapidated housing.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Geographic Targeting</li> </ul>	<ul style="list-style-type: none"> <li>• Large population if retired military on fixed income.</li> <li>• How many low-income households double up? Tripled up?</li> <li>• Address the homeless</li> <li>• If we find large numbers in sub-standard housing, what can we do <i>immediately</i>?</li> <li>• The rental rehab can be used to upgrade sub-standard.</li> </ul>
<ul style="list-style-type: none"> <li>◆ CD Allocation Policy, Maximum Benefit</li> </ul>	<ul style="list-style-type: none"> <li>• \$23 million in Community Development Block Grant Funds; optimize allocation for housing.</li> <li>• Based on needs</li> <li>• Based on neighborhoods</li> <li>• Caps limit—35% admin, 15% social service</li> <li>• Intersection between hope and need</li> <li>• Look for things having multiplier effect</li> <li>• 35% a suggestion</li> <li>• 40% another suggestion for housing</li> </ul>
<ul style="list-style-type: none"> <li>◆ Annual Production Goals and Reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Rehab is very inefficient use of funds</li> <li>• The HOME program is all housing but allocated to programs</li> <li>• No home funds going to tenant assistance</li> <li>• Permits</li> <li>• No number applicable for assistance</li> <li>• Demand for emergency services</li> <li>• DSL connections</li> <li>• Comparison               <ul style="list-style-type: none"> <li>– Cost of Unit vs. Income</li> <li>– Incr. Production vs. Incr. Population</li> </ul> </li> <li>• Turnover, length of stay</li> <li>• Foreclosure</li> <li>• Vacancy rates for rental property</li> <li>• Loan default rate</li> </ul>

	<ul style="list-style-type: none"> <li>• Windshield survey <ul style="list-style-type: none"> <li>– Housing condition</li> </ul> </li> <li>• CDU—condition, desirability, usefulness <ul style="list-style-type: none"> <li>– Concentration e.g., census tract</li> </ul> </li> <li>• Lead based paint poisoning</li> <li>• Quality vs. Quantity—neighborhood holdup <ul style="list-style-type: none"> <li>– Retaining own vs. rental per turnover</li> <li>– Homestead exemption relates to own</li> </ul> </li> <li>• Certain neighborhood with rentals retain quality, e.g. military renters.</li> <li>• Concern is occupants with same values</li> <li>• Neighborhoods with high number of elderly (on fixed income) have patterns of deterioration—can't afford, afraid to spend.</li> <li>• Granny flat—added on property</li> <li>• Be wary to not look at symptoms, look at root cause</li> <li>• Age of housing</li> <li>• There is a normal life cycle of a neighborhood, even it is extended.</li> <li>• Composition of neighborhood housing. For example, renter buying first, then second house in same neighborhood.</li> <li>• Maintenance is key to neighborhood; mandatory homeowner association is a positive.</li> </ul>
<b>For the Industry Group</b>	
<ul style="list-style-type: none"> <li>◆ Housing Products and Finance Tools</li> </ul>	<ul style="list-style-type: none"> <li>• The rental rehab program can be used to upgrade sub-standard housing.</li> <li>• Target by neighborhood, concentrate funds; allocation could vary by neighborhood.</li> <li>• Sweat equity—Can homebuilders let the buyer do? Painting, for example. <ul style="list-style-type: none"> <li>– Habitat for Humanity model</li> <li>– Some manufactured housing</li> <li>– Dream homes, Tilson Homes</li> <li>– What about volunteer programs such as Christmas in April?</li> <li>– Corporate staffs as good neighbors</li> <li>– City crews</li> <li>– Any other?</li> <li>– What would the builder feel? Liability concerns, delay</li> </ul> </li> <li>• How about giving vacant lot adjacent to a homeowner, to that homeowner? <ul style="list-style-type: none"> <li>– To prevent deterioration</li> <li>– Does not add to production</li> <li>– Problem if it could be used</li> <li>– Makes more sense for City to purchase</li> <li>– City could pass to affordable builder</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• First time homebuyer down payment <ul style="list-style-type: none"> <li>– Also ongoing—maintenance, insurance</li> <li>– 4200 members of SA Board of Realtors (all independent contractors)</li> </ul> </li> <li>• Many possible buyers have good credit, and pay on time, but don't have the money for a down payment</li> <li>• Underserved market candidates are far from the norm <ul style="list-style-type: none"> <li>– Takes long hours to prepare a non-market housing candidate for the credit market, sometimes 12 months</li> </ul> </li> <li>• The industry has to partner to package the buyer</li> <li>• The One-Stop-Shop was the proposal from an earlier review <ul style="list-style-type: none"> <li>– Question one physical location</li> <li>– Virtual is an option</li> <li>– Be transparent to customers, so they don't need to know all of us</li> </ul> </li> <li>• Tax Increment Financing (TIFs) – Residential <ul style="list-style-type: none"> <li>– Can be very effective if City is responsive.</li> <li>– Problem is that maybe only one-half of TIFs are “reality-based.”</li> <li>– Challenge when 34 units are built, two years previously, yet the TIF dollars are not received for builder to pay off debt</li> <li>– Manufactured homes (or modular)</li> <li>– Two-year study finding—alternative source</li> <li>– How to overcome perception, not in my neighborhood/backyard, or NIMBY</li> <li>– Or the 30-year eligible, permanent foundation</li> <li>– Best if equivalent to regular construction</li> </ul> </li> <li>• Sweat Equity <ul style="list-style-type: none"> <li>– Prison labor</li> <li>– Prison training for release skill</li> <li>– Rural development is model for urban “sweat equity” program</li> <li>– Faith-based have good models of sweat equity</li> <li>– Student – second chance high school – youth works (S.F. Sacramento) <ul style="list-style-type: none"> <li>– Had program here, 17 students, 14 graduated, paid for site</li> </ul> </li> </ul> </li> <li>• Bond Financing <ul style="list-style-type: none"> <li>– 501 (c)(3) financing</li> <li>– Issuers—City, SAHA, AACOG, SAHT</li> <li>– Attractive—tax-exempt</li> <li>– Problem—SAHA has not used in last two years, \$20 million</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• <b>Leveraging</b></li> </ul>	<ul style="list-style-type: none"> <li>• Stretching the value of the federal dollars by adding local dollars</li> </ul>

	<ul style="list-style-type: none"> <li>• Always interested in public-private partnerships</li> <li>• Use grant dollars to lower price of lots</li> <li>• Grants for environment clean-up increases lot value</li> <li>• Leverage CDBG to provide infrastructure</li> <li>• Leverage utility partners</li> <li>• See that reduction is passed on</li> <li>• \$350,000 Fannie Mae American Cities for current S.A. project</li> <li>•</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Client Targeting</b></li> </ul>	<ul style="list-style-type: none"> <li>• Which percentage of median income (MI)?</li> <li>• If between 0 - 30% people tend to go to SAHA</li> <li>• If between 30% - 50% people still go to SAHA, but some programs are targeted <ul style="list-style-type: none"> <li>– Down payment assistance, for buyers under 80%</li> <li>• Fund counseling off multi-family portfolio</li> <li>• Need counseling <ul style="list-style-type: none"> <li>– Home ownership</li> <li>– Debt</li> </ul> </li> <li>• Elderly <ul style="list-style-type: none"> <li>– Over-housed—bigger than today's need</li> <li>– Scams</li> <li>– Reverse mortgage</li> <li>– Cottage communities</li> </ul> </li> </ul> </li> <li>• If between 50% – 80%, then people have the following types of options: <ul style="list-style-type: none"> <li>• IDA, Individual Development Account (for target purpose)</li> <li>• Counseling, like above</li> <li>• No problem, send them in</li> <li>• 4% taxable bond issue <ul style="list-style-type: none"> <li>– not limited to inside Loop 410</li> <li>– no income restriction</li> </ul> </li> <li>• Look at operational costs, like energy <ul style="list-style-type: none"> <li>– Fannie Mae has program for more house when energy savings rehab done</li> </ul> </li> <li>• Employer programs to match for housing</li> </ul> </li> <li>•</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Affordability, Expanding Products for Various Income Groups</b></li> </ul>	<ul style="list-style-type: none"> <li>• Which group should city prioritize?</li> <li>• You cannot limit</li> <li>• Federal requirement for 0-30%</li> <li>• Most industry reps have worked into serving a niche. They should be encouraged. Challenge is for a common oversight.</li> </ul>

<b>For the Community Group</b>	
<p>◆ <b>Alternative Products in Affordable Housing</b></p>	<ul style="list-style-type: none"> <li>• Will there be analysis of housing in S.A.? Analysis of what has worked? And not?</li> <li>• The Maryland model (shown in a slide presentation by J-Quad) will not work in the configuration displayed.</li> <li>• S.A. has active housing associations that react to affordable housing, manufactured housing, trailer park, and question their collective quality (even where priced comparable to regular housing).</li> <li>• Group liked the cottage housing type, especially for elderly persons who are currently living in substandard housing. And it saves on utilities. Housing needs to be placed so that elderly can stay in same area (near church, etc.). They prefer to do this. Like sidewalks both inside and outside fence.</li> <li>• Safety is a key factor. Environment key, what is around as part of life space?</li> <li>• Resistance before new housing matched to existing. Then, there was acceptance.</li> <li>• Row house vs. Town house and/or Fee Simple vs. Condominium and Zero Lot Line/Party Wall</li> </ul>
<b>Information Clearinghouse</b>	
	Session on the virtual and physical One-Stop-Shop for SAHA, HCD, NAD, SADA and others

## **V. 4. SAN ANTONIO HOUSING SUMMIT**

### **March 23-24, 2001**

## **EXECUTIVE SUMMARY**

### **OBJECTIVE**

On March 23-24, 2001, the City of San Antonio ("City" or "COSA") convened a Housing Summit. The theme was "A Sustainable Housing System." This was the first such summit in San Antonio in recent memory. The objective was to bring together residents, builders, the nonprofit community, lenders, employers, and local and national housing leaders to collaborate on the housing makeup of San Antonio's neighborhoods and its larger community. While there were economists, statisticians, housing services providers and other experts in attendance, the summit was expressly designed to engage the citizens and residents of San Antonio as the *ultimate* stakeholders in the improvement of housing services.



**Summit Sign-in**

### **HOUSING SUMMIT SPONSORS**

The San Antonio Housing Summit had a number of vital sponsors, some of whom contributed funds and underwrote a significant number of activities related to the sessions. There were other individuals from the City and elsewhere who contributed time and creativity to make the event a substantive success. The official sponsors of the San Antonio Housing Summit were as follows:

Annie E. Casey Foundation  
Bank One  
U.S. Department of Housing and Urban Development  
Escamilla & Plneck  
Fannie Mae Corporation  
Greater San Antonio Education Foundation  
Laredo National Bank  
North American Mortgage Company  
San Antonio Board of Realtors  
San Antonio Mortgage Bankers Association  
San Antonio Section, American Planning Association  
Southwest Airlines

## HOUSING SUMMIT STRUCTURE & OVERALL RESPONSE

The summit was structured to enable opportunities for information sharing in several formats: plenary or general sessions; individual breakout sessions, exhibits and a housing celebration/reception. There was a modest \$25 registration fee - \$10 if participants attended just the Saturday sessions – and, in fact, financial assistance scholarships were available to those who needed it. The intent was clearly to have as broad a group of participants as possible, while covering costs. Registered attendants also received copies of materials and other items in a



**Summit Dinner**

and other items in a summit participant's bag, all of which was made possible by the Housing Summit's sponsors. Over the course of a day and a half of activities, there were:

- More than 225 registered attendants
- More than 80 speakers, panelists and presenters
- Eight work sessions on Friday and 16 work sessions on Saturday, for a total of 24
- 2 additional working luncheon sessions, a dinner presentation, and a closing session in City Council Chambers
- A reception honoring and celebrating San Antonio Housing Pioneers

### Themes of the Sessions

Friday's sessions covered a range of topics relevant to housing development, including energy-efficiency, working with school districts, urban design, and the new UDC. Saturday's sessions were organized around four general themes or tracks:

- A. Housing Production
- B. Housing Quality
- C. Technology
- D. Housing Financing Mechanisms

Overall, a number of commonalities emerged from the sessions, speakers and presentations. In summary form, they are:



**New City Manager, Terry Brechtel, Speaking at Luncheon**



**Break-out Session**

- San Antonio is growing and prospering, but the prosperity is uneven.
- Communities that are north of Loop 410 are faring better, in terms of image and in fact, than the central city or neighborhoods inside the Loop.



- The intrinsic value of living inside Loop 410 – convenience to arts, business and entertainment, and having the *option* of using a vehicle-- is not well-publicized
- The vitality of school systems is directly linked to the interest of families with school-aged children in living inside Loop 410
- Technology can help the housing system become more efficient and thus stretch limited

housing administration funds.

- While the rate of homeownership in San Antonio has increased such that more than 57% of residents can “afford” a home, the “translation” is that wages are still comparatively low in San Antonio, not that housing is inexpensive.
- San Antonio must attract higher-wage, better-paying jobs in order to strengthen its economy and surrounding neighborhoods.
- San Antonio must also diversify its economy from primarily a tourism and military-dependent environment in order to improve its position in Texas and around the U.S.



- Housing issues are among the most important in the San Antonio community today.
- Many private sector entities such as lenders, developers, and philanthropic organizations want to partner with governmental authorities and neighborhoods to build housing.
- Sustainable housing is a goal that strives to enable individuals to live in decent, affordable

and safe environments, which also offer access to jobs, culture, education and other community assets.

A list of specific topics covered in the sessions is provided below:



**UDC Revisions: Housing Impacts.** *The Unified Development Code & its impact.*

**Internet and GIS Applications.** *Use of the Internet and geographic information systems to access San Antonio information.*

**Innovative Housing Products.** *Information about earn about “green building”, shared housing, and more.*

**Working with School Districts.** *Models for developing partnerships with school districts.*

**Innovative Housing Financing.** *What is a location efficient mortgage? Hear about LEMs and other creative financing products.*

**Downtown Housing.** *Developers’ project overview and discussion of public sector role.*

**Design for Community Development.** *Learn more about recent trends such as neo-traditional and transit-oriented design.*

**Housing Quality.** *What is the City’s role in regulating housing quality?*

**CDBG & HOME Program Structure.** *Program summary and discussion of possible changes for future funding cycles.*

**Housing Master Plan: Providers’ Roles & Responsibilities.** *Introduction to the Housing Master Plan concept.*

**One Stop Shop & Call Center.** *A vision for better customer service.*

**Cost/Benefit Analysis.** *How best to evaluate and prioritize different affordable housing strategies?*

**Private Sector Financing.** *Hearing from lenders who are looking for affordable housing deals.*

**Housing Cost Guidelines.** *How much should “affordable housing” cost?*

**Consolidating the Back Office.** *Explore how a common accounting and grants tracking system can mean more efficient delivery of housing services.*

**Manufactured Housing.** *Learning about manufactured and modular housing.*

**Downpayment & Counseling Funds.** *Discuss new program structure for these funds.*

**Performance Measures.** *How should the community measure housing production?*

**Data Warehousing.** *Concepts and models for sharing information.*

**Predatory Lending.** *How big is the problem and what can be done about it?*

**Incentive Toolkit.** *Learn more about City incentives for housing development.*

**Affordable Housing Production Goals.** *Setting feasible goals for the Master Plan.*

**Technology Systems to Serve Customers.** *Client management software demonstrated.*

**Sustainable Development.** *Creating a long-term approach to community development.*

## Post Summit Evaluation & Overall Response

As part of the Summit, evaluation forms were available to participants during both days of activities, and individuals were requested on several occasions to take the time to evaluate the Summit for the purpose of continuous improvement. The City analyzed the results of the evaluations, and found that, out of a total of 75 written responses (33 percent of 225 registered attendees):

•	<b>71%</b> rated as <i>excellent</i> the overall quality of the Housing Summit. Another 29% rated as “good” the overall quality of the Summit, and no one gave the summit marks below “good”.
•	<b>59%</b> rated as <i>excellent</i> the overall quality of the individual sessions, and no survey/evaluation rated the overall quality of the sessions below “good”.
•	<b>100%</b> of respondents said that they had learned useful information.
•	<b>45%</b> of respondents rated the quality of the facilities as <i>excellent</i> where the Summit was convened.
•	<b>100%</b> of respondents answered “Yes” when asked, “Should the City and our partners hold the Housing Summit again?”

By virtually all accounts, the Housing Summit was resoundingly successful, and served to focus attention on the critical development of the Housing Master Plan. It is, in fact, probable that the City has created a precedent for a regular meeting that will be exclusively devoted to housing issues, from which it will not be able to waver.

## HOUSING PIONEERS RECOGNITION

As previously mentioned, part of the Summit was designed to celebrate housing successes in the community. To that end, several awards were presented – called “Housing Pioneers Awards” – and the recipients are listed below.



**Pioneer Recognition**

Housing Pioneers Award Recipients	
Recipient	Category
San Antonio Mayor Howard Peak	Housing Policy
Medallion Homes, Inc.	Infill construction in older neighborhoods
Neighborhood Housing Services of San Antonio, Inc. and the San Antonio Alternative Housing Corporation	Creative financing partnership, i.e., the Rosedale Tax Increment Reinvestment Zone
June Kachtik of the UU Housing Assistance Corporation	Housing Advocacy
Greater San Antonio Builders Association	Neighborhood revitalization, i.e., the Affordable Showcase of Homes
James Lifshutz	Downtown Development, i.e., Cadillac Lofts

San Antonio Conservation Society	Preservation, i.e., housing rehabilitation as part of Project Renew;
Alamo Area Mutual Housing Association, Inc, and Terra-Genesis Housing Inc.	Multi-family affordable housing

## CONCLUSION

The San Antonio Housing Summit brought together academicians, economists, statisticians, developers, lenders, housing advocacy groups, housing services providers, and above all, San Antonio residents, for the purpose of discussing the challenges and opportunities facing the San Antonio housing landscape. The Summit engaged the interest of the stakeholders and created a strong expectation for a regular focus on housing by the City of San Antonio and by others, for the foreseeable future. In this context, the San Antonio Housing Summit has set the stage for the development of a San Antonio Housing Master Plan.



**Rep. Gonzalez Speaking at Summit Luncheon**